



HOUSE OF REPRESENTATIVES

HB 2568

community facilities districts; formation; governance

Prime Sponsor: Representative Gowan, LD 14

DPA Committee on Ways and Means

X Caucus and COW

House Engrossed

OVERVIEW

HB 2568 modifies procedures to form a community facilities district and the makeup of the district board.

PROVISIONS

1. Requires the governing body of a municipality or county, upon receipt of a petition from all owners of land in a district that exceeds 600 acres, to adopt a resolution declaring its intention to form a community facilities district to include contiguous and noncontiguous land that is completely within the corporate boundaries of the municipality or county.
2. Establishes the membership of the district board of directors to include two members selected by the governing body, two members selected by landowner's who own at least 25 acres in the district and one member selected by the governing body from a list provided by the landowners.
3. Prohibits districts from levying a tax that exceeds \$0.50/\$100 of assessed valuation of all real and personal property in the district, unless a higher rate is approved by the voters.
4. Permits a member of community facilities district board directors to be a director for more than one district.
5. Applies only to districts formed after the effective date of this Act.
6. Makes technical and conforming changes.

AMENDMENTS IN WAYS AND MEANS COMMITTEE

1. Removes language prohibiting a district from levying a tax that exceeds \$0.50/\$100 of assessed valuation of all real and personal property in the district.

CURRENT LAW

A.R.S. Title 48, Chapter 4, Article 6 establishes community facilities districts for the purposes of entering into contracts and expending monies for any public infrastructure purpose within the district. To form a community facilities district a petition must be signed by 25% of the land area proposed to be included in the district. Upon receipt of a petition the governing body of the county or municipality may adopt a resolution declaring its intention to form the district. A resolution ordering formation of the district must state whether the district will be governed by a district board comprised of members of the governing body, ex officio or for districts that exceed 600 acres five directors appointed by the governing body.